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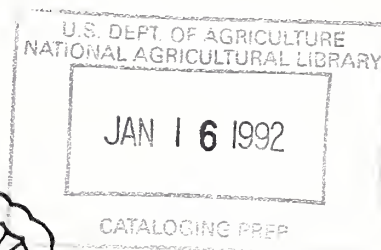
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# 1990 Farm Bill

## USDA Analysis of S.2830 Senate Agriculture Committee

July 1990





USDA ANALYSIS  
OF  
S. 2830  
SENATE AGRICULTURE COMMITTEE  
1990 FARM BILL  
AS OF JULY 6, 1990

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TABLE 1: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S. 2830) AS OF JULY 6, 1990  
OUTLAY CHANGES FROM EXTENSION OF 1985 FARM BILL (MID-SESSION REVIEW BASELINE)

	FISCAL YEAR					
	-- million \$ --					
	1991	1992	1993	1994	1995	1991-95
=====	=====	=====	=====	=====	=====	=====
COMMODITY TOTAL:	2,887	730	846	310	580	5,353
=====	=====	=====	=====	=====	=====	=====
LIVESTOCK, DAIRY, AND POULTRY	182	411	628	654	532	2,407
Dairy 1/	170	406	609	630	502	2,317
Honey	12	19	26	27	32	116
Wool and Mohair	0	(14)	(7)	(3)	(2)	(26)
=====	=====	=====	=====	=====	=====	=====
WHEAT, SOYBEANS, AND FEED GRAINS 2/	2,533	276	208	(649)	(276)	2,092
Wheat & Feed Grains	2,533	(328)	170	(587)	(184)	1,604
Wheat	768	33	91	152	123	1,167
Feed Grains	1,765	(361)	79	(739)	(307)	437
Corn	1,562	(365)	43	(723)	(309)	208
Sorghum	126	(24)	(15)	(55)	(23)	9
Barley	70	27	31	2	(4)	126
Oats	7	1	20	37	29	94
Net Oilseeds	0	604	38	(62)	(92)	488
=====	=====	=====	=====	=====	=====	=====
COTTON, RICE, AND SUGAR 2/	59	230	52	193	101	635
Cotton	54	220	42	171	77	564
Rice	5	10	10	22	24	71
Sugar	0	0	0	0	0	0
=====	=====	=====	=====	=====	=====	=====
TOBACCO AND PEANUTS	0	0	0	0	0	0
Tobacco 3/	0	0	0	0	0	0
Peanuts	0	0	0	0	0	0
=====	=====	=====	=====	=====	=====	=====
CONSERVATION	113	-187	-42	112	223	219
=====	=====	=====	=====	=====	=====	=====

1/ Inventory management required in FY 1992-95. Program costs could be more or less. See pages 11-12 for further explanation.

2/ Outlays reflect changes due to flexibility.

3/ Not under consideration.

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TABLE 2: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S. 2830) AS OF JULY 6, 1990. 1/ WHEAT

AMENDMENT:		MAJOR PROVISION(S):		FISCAL YEAR					
-----		-----		1991	1992	1993	1994	1995	1991-95
OUTLAY CHANGES FROM EXTENSION OF 1985 FARM BILL									
				-- million \$ --					
SENATE AGRICULTURE BILL 2/	- TOTAL OUTLAY CHANGE	768	33	91	152	123	1,167		

OUTLAY CHANGES BY AMENDMENT:

A. 0-25 BASE PROTECTION (FLEXIBILITY)/SOYBEAN MARKETING LOAN	- Any Crop On 0-25% Of Program Bases - Base Protection: 0-25% Of Each Crop - No Deficiency Payments On Flex Acres	(21)	(47)	(35)	(27)	(11)	(141)
B. LIMIT MALTING/FEED BARLEY PRICE SPREAD TO 22 CENTS	- When Determining Deficiency Rates: Exclude Malting Barley Prices That Exceed Feed Barley Prices By \$0.22	0	0	0	0	0	0
C. FARMER-OWNED RESERVE/ CCC SALES POLICY	- Higher FOR Storage Rates. - Implement FOR If Prices LT 140% Of Loan Rate.	0	0	0	0	0	0
D. LOAN RATE ADJUSTMENTS - MARKETING LOAN UNDER PLAN B WITH 20% FINDLEY	- Basic Loan= 75% of 5-Yr Moving Avg Excluding High & Low, Except NLT 95% of Prior Year And NLT 1990 Basic Loan Rate. Assumes 20% Findley Adj.	30	(25)	(5)	36	20	56
E. ADVANCE COMPENSATION W/ "FINDLEY" ADJUSTMENT	- Advance Compensation @ 75% Of Findley Adjustment.	708	3	14	25	(3)	747
F. PERENNIAL COVER COST	- Cost Share Provided On ACR Planted To A Perennial Cover.	20	20	20	20	20	100
G. TOP/CHANGE IN TARGET AS ARP CHANGES	- Producer Option To Increase (Decrease) Target By Increasing (Decreasing) ARP.	24	72	89	90	89	364
H. INCREASING OAT TARGET PRICE	- Minimum Target Prices: 1991-\$1.55; 1992-\$1.65; 1993-\$1.75; 1994-\$1.85 1995-\$1.85	0	0	0	0	0	0
I. HIGH PRICE BONUS (Reflects Participation Impacts)	- Producers Guaranteed 20% Of The Difference Between Projected And Final Deficiency Payment Rates.	7	10	8	8	8	41

TES:

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1/ Other provisions that are not noted may also affect outlays.

2/ Plan A is a marketing loan at the basic loan rate described under Plan B without "Findley" adjustments. Under Plan A total outlays would be changed as follows:

348	275	169	117	(75)	834
-----	-----	-----	-----	------	-----



TABLE 3: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S. 2830) AS OF JULY 6, 1990. 1/

FEED GRAINS

AMENDMENT:		MAJOR PROVISION(S):		FISCAL YEAR				
				1991	1992	1993	1994	1995
				-- million \$ --				
OUTLAY CHANGES FROM EXTENSION OF 1985 FARM BILL				1991	1992	1993	1994	1995
SENATE AGRICULTURE BILL 2/	- TOTAL OUTLAY CHANGE			1,765	(361)	79	(739)	(307)
								437

OUTLAY CHANGES BY AMENDMENT:

A. 0-25 BASE PROTECTION (FLEXIBILITY)/SOYBEAN MARKETING LOAN	- Any Crop On 0-25% Of Program Bases - Base Protection: 0-25% Of Each Crop - No Deficiency Payments On Flex Acres	(191)	(670)	(916)	(821)	(587)	(3,185)
B. LIMIT MALTING/FEED BARLEY PRICE SPREAD TO 22 CENTS	- When Determining Deficiency Rates: Exclude Malting Barley Prices That Exceed Feed Barley Prices By \$0.22	9	26	29	21	17	102
C. FARMER-OWNED RESERVE/ CCC SALES POLICY	- Higher FOR Storage Rates. - Implement FOR If Prices LT 140% Of Loan Rate.	0	(91)	653	(122)	(45)	395
D. LOAN RATE ADJUSTMENTS - MARKETING LOAN UNDER PLAN B WITH 20% FINDLEY	- Basic Loan= 75% of 5-Yr Moving Avg Excluding High & Low, Except NLT 95% of Prior Year And NLT 1990 Basic Loan Rate. Assumes 20% Findley Adj.	1	80	10	48	(9)	130
E. ADVANCE COMPENSATION W/ "FINDLEY" ADJUSTMENT	- Advance Compensation @ 75% Of Findley Adjustment.	1,846	137	126	(69)	113	2,153
F. PERENNIAL COVER COST	- Cost Share Provided On ACR Planted To A Perennial Cover.	20	20	20	20	20	100
G. TOP/CHANGE IN TARGET AS ARP CHANGES	- Producer Option To Increase (Decrease) Target By Increasing (Decreasing) ARP.	68	106	111	113	111	509
H. INCREASING OAT TARGET PRICE	- Minimum Target Prices: 1991-\$1.55; 1992-\$1.65; 1993-\$1.75; 1994-\$1.85 1995-\$1.85	0	0	12	36	39	87
I. HIGH PRICE BONUS (Reflects Participation Impacts)	- Producers Guaranteed 20% Of The Difference Between Projected And Final Deficiency Payment Rates.	12	31	34	35	34	146

NOTES:

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1/ Other provisions that are not noted may also affect outlays.

2/ Plan A is a marketing loan at the basic loan rate described under Plan B without "Findley" adjustments. Under Plan A total outlays would be changed as follows:

(65) | (363) | 60 | (375) | (474) | (1,217)



TABLE 4: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S. 2830) AS OF JULY 6, 1990. 1/

CORN

AMENDMENT:

MAJOR PROVISION(S):

FISCAL YEAR

OUTLAY CHANGES FROM EXTENSION OF 1985 FARM BILL

1991

1992

1993

1994

1995

1991-95

-- million \$ --

SENATE AGRICULTURE BILL 2/	- TOTAL OUTLAY CHANGE	1991	1992	1993	1994	1995	1991-95
		1,562	(365)	43	(723)	(309)	208

OUTLAY CHANGES BY AMENDMENT:

A. 0-25 BASE PROTECTION (FLEXIBILITY)/SOYBEAN MARKETING LOAN	- Any Crop On 0-25% Of Program Bases - Base Protection: 0-25% Of Each Crop - No Deficiency Payments On Flex Acres	(170)	(605)	(834)	(737)	(523)	(2,869)
B. LIMIT MALTING/FEED BARLEY PRICE SPREAD TO 22 CENTS	- When Determining Deficiency Rates: Exclude Malting Barley Prices That Exceed Feed Barley Prices By \$0.22	0	0	0	0	0	0
C. FARMER-OWNED RESERVE/ CCC SALES POLICY	- Higher FOR Storage Rates. - Implement FOR If Prices LT 140% Of Loan Rate.	0	(87)	622	(116)	(43)	376
D. LOAN RATE ADJUSTMENTS - MARKETING LOAN UNDER PLAN B WITH 20% FINDLEY	- Basic Loan= 75% of 5-Yr Moving Avg Excluding High & Low, Except NLT 95% of Prior Year And NLT 1990 Basic Loan Rate. Assumes 20% Findley Adj.	1	70	5	42	(8)	110
E. ADVANCE COMPENSATION W/ "FINDLEY" ADJUSTMENT	- Advance Compensation @ 75% of Findley Adjustment.	1,646	120	105	(60)	120	1,931
F. PERENNIAL COVER COST	- Cost Share Provided On ACR Planted To A Perennial Cover.	15	15	15	15	15	75
G. TOP/CHANGE IN TARGET AS ARP CHANGES	- Producer Option To Increase (Decrease) Target By Increasing (Decreasing) ARP.	60	94	99	101	99	453
H. INCREASING OAT TARGET PRICE	- Minimum Target Prices: 1991-\$1.55; 1992-\$1.65; 1993-\$1.75; 1994-\$1.85 1995-\$1.85	0	0	0	0	0	0
I. HIGH PRICE BONUS (Reflects Participation Impacts)	- Producers Guaranteed 20% Of The Difference Between Projected And Final Deficiency Payment Rates.	10	28	31	32	31	132

TES:

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1/ Other provisions that are not noted may also affect outlays.

2/ Plan A is a marketing loan at the basic loan rate described under Plan B without "Findley" adjustments. Under Plan A total outlays would be changed as follows:

(60) | (336) | 56 | (347) | (439) | (1,126)



TABLE 5: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S. 2830) AS OF JULY 6, 1990. 1/

SORGHUM

AMENDMENT: -----	MAJOR PROVISION(S): -----	FISCAL YEAR					
		1991	1992	1993	1994	1995	1991-95
OUTLAY CHANGES FROM EXTENSION OF 1985 FARM BILL		-- million \$ --					
SENATE AGRICULTURE BILL 2/	- TOTAL OUTLAY CHANGE	126	(24)	(15)	(55)	(23)	9

OUTLAY CHANGES BY AMENDMENT:

A. 0-25 BASE PROTECTION (FLEXIBILITY)/SOYBEAN MARKETING LOAN	- Any Crop On 0-25% Of Program Bases - Base Protection: 0-25% Of Each Crop - No Deficiency Payments On Flex Acres	(14)	(48)	(67)	(59)	(42)	(230)
B. LIMIT MALTING/FEED BARLEY PRICE SPREAD TO 22 CENTS	- When Determining Deficiency Rates: Exclude Malting Barley Prices That Exceed Feed Barley Prices By \$0.22	0	0	0	0	0	0
C. FARMER-OWNED RESERVE/ CCC SALES POLICY	- Higher FOR Storage Rates. - Implement FOR If Prices LT 140% Of Loan Rate.	0	(4)	31	(6)	(2)	19
D. LOAN RATE ADJUSTMENTS - MARKETING LOAN UNDER PLAN B WITH 20% FINDLEY	- Basic Loan= 75% of 5-Yr Moving Avg Excluding High & Low, Except NLT 95% of Prior Year And NLT 1990 Basic Loan Rate. Assumes 20% Findley Adj.	0	6	0	3	(1)	8
E. ADVANCE COMPENSATION W/ "FINDLEY" ADJUSTMENT	- Advance Compensation @ 75% Of Findley Adjustment.	131	9	8	(6)	9	151
F. PERENNIAL COVER COST	- Cost Share Provided On ACR Planted To A Perennial Cover.	3	3	3	3	3	15
G. TOP/CHANGE IN TARGET AS ARP CHANGES	- Producer Option To Increase (Decrease) Target By Increasing (Decreasing) ARP.	5	8	8	8	8	37
H. INCREASING OAT TARGET PRICE	- Minimum Target Prices: 1991-\$1.55; 1992-\$1.65; 1993-\$1.75; 1994-\$1.85 1995-\$1.85	0	0	0	0	0	0
I. HIGH PRICE BONUS (Reflects Participation Impacts)	- Producers Guaranteed 20% Of The Difference Between Projected And Final Deficiency Payment Rates.	1	2	2	2	2	9

NOTES:

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1/ Other provisions that are not noted may also affect outlays.

2/ Plan A is a marketing loan at the basic loan rate described under Plan B without "Findley" adjustments. Under Plan A total outlays would be changed as follows:

(5) | (27) | 4 | (28) | (35) | (91)





TABLE 2: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S. 2830) AS OF JULY 6, 1990. 1/

BARLEY

AMENDMENT:		MAJOR PROVISION(S):		FISCAL YEAR					
-----		-----							
				1991	1992	1993	1994	1995	1991-95
OUTLAY CHANGE FROM EXTENSION OF 1985 FARM BILL									
				-- million \$ --					
SENATE AGRICULTURE BILL 2/	- TOTAL OUTLAY CHANGE			70	27	31	2	(4)	126

OUTLAY CHANGES BY AMENDMENT:

A. 0-25 BASE PROTECTION (FLEXIBILITY)/SOYBEAN MARKETING LOAN	- Any Crop On 0-25% Of Program Bases - Base Protection: 0-25% Of Each Crop - No Deficiency Payments On Flex Acres	(7)	(17)	(15)	(25)	(22)	(86)
B. LIMIT MALTING/FEED BARLEY PRICE SPREAD TO 22 CENTS	- When Determining Deficiency Rates: Exclude Malting Barley Prices That Exceed Feed Barley Prices By \$0.22	9	26	29	21	17	102
C. FARMER-OWNED RESERVE/ CCC SALES POLICY	- FOR Storage Rates= Commercial Rates - Implement FOR If Prices LT 140% Of Loan Rate	0	0	0	0	0	0
D. LOAN RATE ADJUSTMENTS - MARKETING LOAN UNDER PLAN B WITH 20% FINDLEY	- Basic Loan= 75% of 5-Yr Moving Avg Excluding High & Low, Except NLT 95% of Prior Year And NLT 1990 Basic Loan Rate.	0	4	5	3	0	12
E. ADVANCE COMPENSATION W/ "FINDLEY" ADJUSTMENT	- Advance Compensation @ 75% of Findley Adjustment	63	8	6	(3)	(5)	69
F. PERENNIAL COVER COST	- Cost Share Provided On ACR Planted To A Perennial Cover.	2	2	2	2	2	10
G. TOP/CHANGE IN TARGET AS ARP CHANGES	- Producer Option To Increase (Decrease) Target By Increasing (Decreasing) ARP.	2	3	3	3	3	14
H. INCREASING OAT TARGET PRICE	- Minimum Target Prices: 1991-\$1.55; 1992-\$1.65; 1993-\$1.75; 1994-\$1.85 1995-\$1.85	0	0	0	0	0	0
I. HIGH PRICE BONUS (REFLECTS PARTICIPATION IMPACTS)	- Producers Guaranteed 20% Of The Difference Between Projected And Final Deficiency Payment Rates.	1	1	1	1	1	5

ES:

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1/ Other provisions that are not noted may also affect outlays.

2/ Plan A is a marketing loan at the basic loan rate described under Plan B without "Findley" adjustments. Under Plan A, total outlays would be changed as follows:



TABLE 7: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S. 28300) AS OF JULY 3, 1990. 1/ OATS

AMENDMENT:	MAJOR PROVISION(S):	FISCAL YEAR					
-----	-----	1991	1992	1993	1994	1995	1991-95
OUTLAY CHANGES FROM EXTENSION OF 1985 FARM BILL		-- million \$ --					
SENATE AGRICULTURE BILL 2/	- TOTAL OUTLAY CHANGES	7	1	20	37	29	94

OUTLAY CHANGES BY AMENDMENT:

A. 0-25 BASE PROTECTION (FLEXIBILITY)/SOYBEAN MARKETING LOAN	- Any Crop On 0-25% Of Program Bases - Base Protection: 0-25% Of Each Crop - No Deficiency Payments On Flex Acres	0	0	0	0	0	0
B. LIMIT MALTING/FEED BARLEY PRICE SPREAD TO 22 CENTS	- When Determining Deficiency Rates: Exclude Malting Barley Prices That Exceed Feed Barley Prices By \$0.22	0	0	0	0	0	0
C. FARMER-OWNED RESERVE/ CCC SALES POLICY	- FOR Storage Rates= Commercial Rates - Implement FOR If Prices LT 140% Of Loan Rate	0	0	0	0	0	0
D. LOAN RATE ADJUSTMENTS - MARKETING LOAN UNDER PLAN B WITH 20% FINDLEY	- Basic Loan= 75% of 5-Yr Moving Avg Excluding High & Low, Except NLT 95% of Prior Year And NLT 1990 Basic Loan Rate.	0	0	0	0	0	0
E. ADVANCE COMPENSATION W/ "FINDLEY" ADJUSTMENT	- Advance Compensation @ 75% of Findley Adjustment	6	0	7	0	(11)	2
F. PERENNIAL COVER COST	- Cost Share Provided On ACR Planted To A Perennial Cover.	0	0	0	0	0	0
G. TOP/CHANGE IN TARGET AS ARP CHANGES	- Producer Option To Increase (Decrease) Target By Increasing (Decreasing) ARP.	1	1	1	1	1	5
H. INCREASING OAT TARGET PRICE	- Minimum Target Prices: 1991-\$1.55; 1992-\$1.65; 1993-\$1.75; 1994-\$1.85 1995-\$1.85	0	0	12	36	39	87
I. HIGH PRICE BONUS (REFLECTS PARTICIPATION IMPACTS)	- Producers Guaranteed 20% Of The Difference Between Projected And Final Deficiency Payment Rates.	0	0	0	0	0	0

NOTES:

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1/ Other provisions that are not noted may also affect outlays.

2/ Plan A is a marketing loan at the basic loan rate described under Plan B without "Findley" adjustments. Under Plan A total outlays would be changed as follows:

0	0	0	0	0	0
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TABLE 8: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S. 2830) AS OF JULY 6, 1990. 1/ OILSEEDS

AMENDMENT:		MAJOR PROVISION(S):		FISCAL YEAR					
				1991	1992	1993	1994	1995	1991-95
				-- million \$ --					
OUTLAY CHANGES FROM EXTENSION OF 1985 FARM BILL									
SENATE AGRICULTURE BILL	- TOTAL OUTLAY CHANGES	0	604	38	(62)	(92)	488		
OUTLAY CHANGES BY AMENDMENT:									
A. SOYBEAN MARKETING LOAN	- \$5.50 Per Bushel (9.5 Cents Per Lb.) Marketing Loan	0	595	33	(62)	(92)	474		
B. OTHER OILSEEDS MARKETING LOAN	- 9.7 Cents Per Lb Marketing Loan For Flaxseed Sunflower, Rapeseed, Safflower	0	9	5	0	0	14		



TABLE 9: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S.2830) AS OF JULY 6, 1990 1/

UPLAND COTTON

AMENDMENT:		MAJOR PROVISION(S):		FISCAL YEAR				
		1991	1992	1993	1994	1995	1991-95	
		-- million \$ --						
OUTLAY CHANGES FROM EXTENSION OF 1985 FARM BILL								
SENATE AGRICULTURE BILL	- TOTAL OUTLAY CHANGE	54	220	42	171	77	564	

OUTLAY CHANGES BY AMENDMENT:

A. 0-25 BASE PROTECTION (FLEXIBILITY) 33% STOCKS TARGET	- Any Crop On 0-25% Of Program Bases - Base Protection: 0-25% Of Each Crop - No Deficiency Payments on Flex Acres	34	186	7	138	48	413
B. 0/92 PREVENTED PLANTING	- The Secretary Shall Provide Payments To Producers Who Are Prevented From Planting.	5	14	16	15	12	62
C. TOP/CHANGE IN TARGET AS ARP CHANGES	- Producer Option To Increase (Decrease) Target By Increasing (Decreasing) ARP.	4	8	7	6	5	30
D. 3-STEP COMPETITIVE PROCESS 2/	- Step 1: Adjustment To AWP - Step 2: Certificates Issued - Step 3: Imports Triggered	10	10	10	10	10	50
E. HIGH PRICE BONUS (REFLECTS PARTICIPTION IMPACTS)	- Producers Guaranteed 20% Of The Difference Between Projected And Final Deficiency Payment Rates.	1	2	2	2	2	9

NOTES:

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- 2/ Step 1 triggered when (a) U.S. Price is less than Northern Europe Price and (b) AWP is less than 115 percent of the loan rate.  
Step 2 triggered when the U.S. Price minus 1.25 cents/lb is greater than the Northern Europe Price for four consecutive weeks.  
Step 3 triggered when the U.S. Price minus any certificate value is greater than the Northern Europe price for 10 consecutive weeks.





TABLE 10: CCC OUTLAYS UNDER THE SENATE AGRICULTURE COMMITTEE BILL (S. 2830) AS OF JULY 6, 1990. 1/ RICE

AMENDMENT:

MAJOR PROVISION(S):

FISCAL YEAR

OUTLAY CHANGES FROM EXTENSION OF 1985 FARM BILL

1991

1992

1993

1994

1995

1991-95

-- million \$ --

SENATE AGRICULTURE BILL	- TOTAL OUTLAY CHANGE	5	10	10	22	24	71
-------------------------	-----------------------	---	----	----	----	----	----

OUTLAY CHANGES BY AMENDMENT:

A. ENDING STOCKS OBJECTIVE	- Achieve S/U of 16.5% To 20%.	0	0	0	12	14	26
B. TOP/CHANGE IN TARGET AS ARP CHANGES	- Producer Option To Increase (Decrease) Target By Increasing (Decreasing) ARP.	5	10	10	10	10	45

NOTES:

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1/ Other provisions that are not noted may also affect outlays.



TABLE 11: COMPARISON OF S. 2830 WITH THE MID-SESSION BASELINE

MILK

=====							----	
Item	FY	FY	FY	FY	FY	FY	1991-95	
	1991	1992	1993	1994	1995			
=====							=====	
Support Price			(dol. per cwt)					
Baseline	10.10/9.60	9.60/9.10	9.10/8.60	8.60	8.60/9.10		9.05	
S. 2830	10.10	10.10	10.10	10.10	10.10		10.10	
=====							=====	
All Milk Price			(dol. per cwt)					
Baseline	12.50	11.00	10.45	10.55	10.85		11.07	
S. 2830	12.80	11.70	11.40	11.60	11.75		11.85	
=====							=====	
Retail Cost			(dol. per cwt)					
Baseline	31.90	31.15	31.45	32.35	33.35		32.04	
S. 2830	32.20	31.85	32.40	33.40	34.25		32.82	
=====							=====	
Milk Production			(billion pounds)					
Baseline	149.0	152.4	154.5	155.0	156.5		767.4	
S. 2830	149.5	153.9	156.6	157.3	158.4		775.7	
=====							=====	
Commercial Use			(billion pounds)					
Baseline	143.0	146.9	149.0	151.0	153.5		743.4	
S. 2830	142.1	145.4	147.0	149.0	151.8		735.3	
=====							=====	



TABLE 11: COMPARISON OF S. 2830 WITH THE MID-SESSION BASELINE (CONTINUED)

MILK

=====							
Surplus, M.E. Milkfat	:	:	:	(billion pounds)	:	:	:
Baseline	:	6.3	:	5.9	:	5.9	:
	:	:	:	:	:	4.4	:
	:	:	:	:	:	3.4	:
S. 2830	:	7.7	:	8.9	:	10.0	:
(M.E., Total Solids) 1/	:	4.4	:	7.6	:	10.2	:
	:	:	:	:	:	9.1	:
	:	:	:	:	:	7.3	:
	:	:	:	:	:	38.6	:
=====							
Net Dairy Expenditures	:	:	:	(million dollars)	:	:	:
	:	:	:	:	:	:	:
S. 2830, INCREASE FROM	:	:	:	:	:	:	:
BASELINE 2/ 3/	:	169.6	:	406.4	:	608.8	:
	:	:	:	:	:	629.9	:
	:	:	:	:	:	502.5	:
	:	:	:	:	:	2,317.2	:
=====							
Farm Cash Receipts	:	:	:	(million dollars)	:	:	:
Baseline	:	18,510	:	16,680	:	16,080	:
	:	:	:	:	:	16,280	:
	:	:	:	:	:	16,910	:
S. 2830	:	19,020	:	17,910	:	17,770	:
	:	:	:	:	:	18,160	:
	:	:	:	:	:	18,530	:
	:	:	:	:	:	91,390	:
=====							
Retail Cost	:	:	:	(million dollars)	:	:	:
Baseline	:	45,617	:	45,759	:	46,861	:
	:	:	:	:	:	48,849	:
	:	:	:	:	:	51,192	:
S. 2830	:	45,756	:	46,310	:	47,628	:
	:	:	:	:	:	49,766	:
	:	:	:	:	:	51,992	:
	:	:	:	:	:	241,452	:
=====							

1/ Supply management required over 78 lbs.

2/ Purchase prices per pound for butter specified in S. 2830 (\$0.983 in Calendar Year 1991, \$0.815 in CY 1992 and CY 1993, and \$0.788 in CY 1994 and CY 1995) were used in the analysis.

3/ Supply management required in FY 1992-95. USDA must prepare a report and recommendation to Congress on the supply management program to be implemented. Congress could then approve, disapprove or modify the program. Since the program is currently undefined, costs could be more or less.

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**SHIFT IN PLANTED ACREAGE UNDER  
SENATE FLEXIBILITY PROVISION  
WITH OILSEED MARKETING LOAN  
(Million Acres)**

	1991/92	1992/93	1993/94	1994/95	1995/96	Average
<b>Corn</b>	-0.7	-0.4	-0.6	-0.7	-0.7	-0.6
<b>Sorghum</b>	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
<b>Barley</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Oats</b>	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
<b>Wheat</b>	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2
<b>Cotton</b>	0.2	0.3	0.2	0.2	0.3	0.2
<b>Rice</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Soybeans</b>	0.7	0.6	0.7	0.7	0.8	0.7
<b>Total</b>	-0.5	-0.1	-0.3	-0.4	-0.2	-0.3





BASIC LOAN RATES UNDER BASELINE, HOUSE AND SENATE AGRICULTURE COMMITTEE BILLS						ADJUSTED LOAN RATES UNDER BASELINE, HOUSE AND SENATE AGRICULTURE COMMITTEE BILLS							
Item		1991	1992	Crop Year 1993	1994	1995	Item		1991	1992	Crop Year 1993	1994	1995
WHEAT: ----- dollars per bushel						WHEAT: ----- dollars per bushel							
Baseline	1/	2.35	2.44	2.44	2.32	2.23	Baseline	6/	1.88	1.95	1.95	1.85	1.78
House	2/	2.66	2.77	2.77	2.63	2.52	House	7/	2.26	2.35	2.35	2.24	2.14
Senate						Senate							
Plan A	3/	2.44	2.44	2.44	2.44	2.44	Plan A		Not Applicable				
Plan B	3/	2.44	2.44	2.44	2.44	2.44	Plan B	8/	1.95	1.95	1.95	1.95	1.95
CORN: ----- dollars per bushel						CORN: ----- dollars per bushel							
Baseline	1/	1.86	1.78	1.78	1.69	1.61	Baseline	6/	1.49	1.42	1.42	1.35	1.29
House	2/	1.94	2.04	2.04	1.94	1.85	House	7/	1.75	1.84	1.84	1.75	1.67
Senate						Senate							
Plan A	3/	1.96	1.96	1.96	1.96	1.96	Plan A		Not Applicable				
Plan B	3/	1.96	1.96	1.96	1.96	1.96	Plan B	8/	1.57	1.57	1.57	1.57	1.57
SOYBEANS: ----- dollars per bushel						SOYBEANS: ----- dollars per bushel							
Baseline	1/	4.50	4.50	4.50	4.50	4.50	Baseline		Same as Basic Loan Rates				
House	4/	5.25	5.25	5.25	5.25	5.25	House	9/	5.25	5.25	5.40	5.51	5.51
Senate						Senate							
						Same as Basic Loan Rates							

- 1/ Set at 75-85 percent of 5-year average of market prices, excluding high and low prices. Assumed 75 percent. Year-to-year decline limited to 5 percent. Soybean loan rate cannot be below \$4.50.
- 2/ Set at 85 percent of 5-year average of market prices, excluding high and low prices. Year-to-year decline limited to 5 percent.
- 3/ Set at 75-85 percent of 5-year average of market prices, excluding high and low prices. Assumed 75 percent. Year-to-year decline limited to 5 percent. Loan rate cannot be below 1990 basic rate.
- 4/ Set at \$5.25 for 1991-1995 soybean crops.
- 5/ Set at \$5.50 for 1991-1995 soybean crops.
- 6/ "Findley" adjustment. Basic loan rate reduced by 20 percent to maintain competitiveness.
- 7/ Modified "Findley" adjustment. Basic loan rate reduced based on stocks-to-use ratio as shown below:

Prior Year Ending Stocks-to-Use Ratio

Authorized "Findley" Adjustment

Wheat	Corn
<15%	<12.5%
15%-30%	12.5%-25%
>30%	>25%

Wheat	Corn
0%	0%
-5%	-5%
-10%	-10%

Additional 5 percent reduction, which is authorized if deemed necessary, is assumed.

- 8/ "Findley" adjustment. Basic loan rate reduced by 20 percent to maintain competitiveness. Marketing loan offered.
- 9/ Basic loan rate adjusted for 1993-1995 soybean crops based on projected stocks-to-use ratio as shown below:

Projected Current Year Ending Stocks-to-Use Ratio

Mandated Adjustment

=<20%
>20%-25%
>25%

+5%
0%
0% to -5%

Loan rate for 1993 soybean crop may not exceed \$5.40.

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TARGET PRICES  
UNDER THE BASELINE, HOUSE AND SENATE AGRICULTURE COMMITTEE BILLS

Item	Crop Year				
	1991	1992	1993	1994	1995
<hr/>					
WHEAT:	dollars per bushel				
-----					
Baseline	4.00	4.00	4.00	4.00	4.00
House 1/	4.10	4.20	4.20	4.00	4.00
Senate	4.00	4.00	4.00	4.00	4.00
CORN:	dollars per bushel				
-----					
Baseline	2.75	2.75	2.75	2.75	2.75
House 2/	2.75	2.75	2.75	2.75	2.75
Senate	2.75	2.75	2.75	2.75	2.75
SORGHUM:	dollars per bushel				
-----					
Baseline	2.61	2.61	2.61	2.61	2.61
House 2/	2.61	2.61	2.61	2.61	2.61
Senate	2.61	2.61	2.61	2.61	2.61
BARLEY:	dollars per bushel				
-----					
Baseline	2.36	2.36	2.36	2.36	2.36
House 2/	2.36	2.36	2.36	2.36	2.36
Senate	2.36	2.36	2.36	2.36	2.36
OATS:	dollars per bushel				
-----					
Baseline	1.45	1.45	1.45	1.45	1.45
House 2/	1.45	1.45	1.45	1.45	1.45
Senate	1.55	1.65	1.75	1.85	1.85
RICE:	dollars per cwt				
-----					
Baseline	10.71	10.71	10.71	10.71	10.71
House 2/	10.71	10.71	10.71	10.71	10.71
Senate	10.71	10.71	10.71	10.71	10.71
UPLAND COTTON:	cents per pound				
-----					
Baseline	72.90	72.90	72.90	72.90	72.90
House 2/	72.90	72.90	72.90	72.90	72.90
Senate	72.90	72.90	72.90	72.90	72.90

- 1/ Wheat: for each 2.5-percentage-point increase in the ARP level above 7.5% (10% for 1994 and 1995), the target price increases by 2.55%.
- 2/ Feed Grains: for each 2.5-percentage-point increase in the ARP level above 15%, the target price increases by 2.55%.

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EXPECTED INCREASE IN OUTLAYS CAUSED BY THE "HIGH PRICE BONUS." 1/  
SECTION 1012 OF S. 2830.

INCREASE FROM BASELINE							
	A	B	C	D	E	F	G
Commodity	Expected Increase in Deficiency Payments 1/	Fiscal 1991	Fiscal 1992	Fiscal 1993	Fiscal 1994	Fiscal 1995	SUM, FY 1991-95
TOTAL	4.5%	0	325	410	413	381	1,530
WHEAT	3.4%	0	75	76	74	71	296
FEED GRAINS		0	230	313	320	294	1,156
CORN	5.6%	0	204	283	290	266	1,044
SORGHUM	4.4%	0	15	19	20	18	73
BARLEY	7.2%	0	11	11	9	9	40
OATS	10.9%	0	0	0	0	0	0
UPLAND COTTON	4.0%	0	17	19	17	14	67
RICE	0.4%	0	3	3	3	3	10

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NOTE:

1/ Projected and realized deficiency payment rates from crop years 1983 to 1989 were used to calculate a high price bonus--if any--for each commodity for each year. The sum of annual high price bonuses was then divided by the sum of annual projected deficiency payment rates for all years for each commodity. This ratio (col. A) represents the average increase over the projected deficiency payment rate caused by the high price bonus for each commodity for crop years 1983 to 1989. Estimates of likely outlay increases caused by the high price bonus were calculated by multiplying the ratio in col. A by FY 1992-95 projected deficiency payments from the Mid-Session Review.



OILSEED POTENTIAL OUTLAYS: ESTIMATED CHANGES.

=====						
	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Total
Baseline	1991	1992	1993	1994	1995	1991-95
=====						
	----- Million \$ -----					
PRESIDENT'S BUDGET BASELINE	0	957	1,002	729	582	3,270
MID-SESSION REVIEW BASELINE	0	604	38	(62)	(92)	488
DIFFERENCE	0	353	964	791	674	2,782
=====						
						ASCS/CAD
						07/13/90

